

**SUPPORTING STATEMENT**

**Supplemental Nutrition Assistance Program (SNAP):**

**State Agency Options**

**OMB No: 0584-0496**

**Arianne Steed, Project Officer**

**Supplemental Nutrition Assistance Program**

**Program Development Division, Certification Policy Branch**

**Food and Nutrition Service, USDA**

**3101 Park Center Drive, Room 812**

**Alexandria, VA 22302**

**PH: 703-305-2521 FAX: 703-305-2486**

**[Arianne.Steed@fns.usda.gov](mailto:Arianne.Steed@fns.usda.gov)**

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**Appendix A:** Federal Register Notice and Public Comment

**Appendix B:** Food Programs Reporting System (FPRS) Form Images

**A. Justification**

**1. Circumstances Making the Collection of Information Necessary.**

*Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.*

This is a revision of a currently-approved information collection. This information collection is necessary because it addresses the State agency reporting burden associated with the following State agency options under the Supplemental Nutrition Assistance Program (SNAP): Establishing and reviewing standard utility allowances and establishing methodology for offsetting cost of producing self-employment income.

The Food and Nutrition Act of 2008 (the Act), as amended, establishes SNAP as a means-tested program under which needy households may apply for and receive assistance to supplement their ability to purchase food. The Act specifies national eligibility standards and imposes certain administrative requirements on State agencies in administering the program.

The Federal procedures for implementing the certification processes in the Act are in Parts 271, 272, and 273 of Title 7 of the Code of Federal Regulations (CFR). Part 271 contains general information and definitions, Part 272 contains requirements for participating State agencies, and Part 273 contains procedures for the certification of eligible households.

## **2. Purpose and Use of the Information.\_**

***Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate how the agency has actually used the information received from the current collection.***

### Establishing and Reviewing Standard Utility Allowances.

The regulations at 7 CFR 273.9(d)(6)(iii) allow State agencies to establish standard utility allowances in place of the actual utility costs incurred by a household. State agencies are required to review and adjust SUAs annually to reflect changes in the costs of utilities. State agencies are required to submit the amounts of standards when they are changed and methodologies used to develop and update the standards to FNS for approval when they are developed or changed. Most State agencies provide their SUA information on written letterhead and typically submit it electronically via email.

### Self-employment costs.

The regulations at 7 CFR 273.11(b) allow for self-employment income to be reduced by the cost of producing such income. The regulations allow the State agencies, with approval from FNS, to establish the methodology for offsetting the costs of producing self-employment income, as long as the procedure does not increase program costs. Most State agencies provide methodology information on written letterhead and typically submit it electronically via email. Once approved by FNS, States can use these methodologies to determine net self-employment income for SNAP eligibility purposes.

## **3. Use of Information Technology and Burden Reduction.**

***Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or***

***other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.***

In compliance with E-Government Act of 2002 (E-Gov), State agencies have the authority to use the technology that best suits the needs of their individual or unique systems of operation to comply with the reporting and recordkeeping requirements contained in this submission. FNS has made every effort to provide for electronic submission as an alternative to paper submission in compliance with the E-Gov. FNS provides funding to support the development of electronic systems through Federal matching of States' administrative costs. All State agencies have automated their SNAP eligibility systems. Using FNS-388, (approved under OMB# 0584-0081 expiration date 7/31/2016), States send aggregate level data on participation, benefits issued, and other basic program information to FNS using the Food Programs Reporting System (FPRS) via this website: <https://fprs.fns.usda.gov>. The FNS-388 is used as supplemental data only and this collection is not seeking any additional burden hours for the use of this form. See Appendix B for FNS-388 screenshots.

#### **4. Efforts to Identify Duplication and Use of Similar Information.**

***Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Question 2.***

States are required to limit collection to information necessary to comply with the SNAP statutory requirements and to protect program integrity without imposing undue burden on respondents. FNS solely approves and monitors the standard utility

allowances used by State agencies that have opted to use SUAs to determine ongoing eligibility in SNAP. This and other information already available may be used with appropriate modifications. There is no duplication of efforts.

**5. Impacts on Small Businesses or Other Small Entities.**

*If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.*

State agencies administer SNAP at the State level and collect the necessary data to ensure correct eligibility determinations and delivery of benefit. All State agencies deliver the same program benefits and perform the same function regardless of population size. Thus, they maintain the same kinds of information on file. Of the 53 SNAP State agencies, 52 have incorporated the options covered by this collection, and of these respondents none are small entities.

**6. Consequences of Collecting the Information Less Frequently.**

*Describe the consequence to Federal program or policy activities if the collection is not conducted, or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.*

The requirements to allow State agencies to use standard utility allowances and simplified methods of computing self-employment costs are necessary and collected in compliance with the law. If States do not submit information showing that methodologies are cost neutral, FNS cannot approve, monitor or reimburse their use or cost.

**7. Explain any Special Circumstances that Would Cause an Information**

**Collection to be Conducted in a Manner that is Inconsistent with 5 CFR 1320.5.**

*Explain any special circumstances that would cause an information collection to be conducted in a manner:*

- *Requiring respondents to report information to the agency more often than quarterly;*
- *Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;*
- *Requiring respondents to submit more than an original and two copies of any document;*
- *Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years*
- *In connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;*
- *Requiring the use of a statistical data classification that has not been reviewed and approved by OMB*
- *That includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or*
- *Requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has*

*instituted procedures to protect the information's confidentiality to the extent permitted by law.*

There are no special circumstances that cause this information collection to be conducted in a manner that is inconsistent with 5 CFR 1320.5.

**8. If Applicable, Provide a Copy and Identify the Date and Page Number of Publication in the Federal Register of the Agency's Notice, Required by 5 CFR 1320.8(d).**

*If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8 (d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.*

*Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.*

*Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years even if the collection of information activity is the same as in prior years. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.*



The agency notice soliciting comments regarding this information collection was published in July 23, 2013, in the Federal Register at 78 FR 44092. One comment was received that was not relevant to the collection of information (see Appendix A).

FNS regional offices monitor and communicate with individual State agencies on a regular basis about State operation of the program. FNS also participates in regional and national meetings with State SNAP administrators, affording State agencies the opportunity to discuss policy issues and best practices, including State options such as SUAs and self-employment costs.

**9. Explanation of any Payment or Gift to Respondents.**

*Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.*

No payments or gifts are provided to respondents under this collection.

**10. Describe any Assurance of Confidentiality Provided to Respondents and the Basis for the Assurance in Statute, Regulation, or Agency Policy.**

*Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.*

Section 11(e)(8) of the Food and Nutrition Act and section 272.1(c) of the regulations limit the use or disclosure of information obtained from applicant households or contained in the casefiles of participating households to persons directly connected with the administration or enforcement of the provisions of the Act or regulations, other Federal or federally assisted means-tested programs; persons directly connected with the administration or enforcement of programs required to participate in

the State income and eligibility verification system; persons directly connected with the verification of immigration status of aliens; persons directly connected with the administration of the Child Support Program; employees of the Office of the Comptroller General of the U.S. for audit and examination authorized by other provisions of law; Local, State, or Federal law enforcement official investigating an alleged violation of the Act or regulations and law enforcement officers if the household member is a fleeing felon or a parole violator. FNS published the Privacy Act: System of Records Notice (SORN) on March 31, 2000, in the Federal Register (65 FR 17251) entitled “USDA/FNS-10 Persons Doing Business with the Food and Nutrition Service” to specify the uses of the information that is collected.

**11. Justification for Sensitive Questions.**

*Provide additional justification for any questions of a sensitive nature, such as sexual behavior or attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.*

No private or sensitive questions will be asked.

**12. Estimates of Hour Burden Including Annualized Hourly Costs.**

*Provide estimates of the hour burden of the collection of information. Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated.*

***A. Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.***

The estimated reporting burden for each individual component of this information collection, including the number of respondents, frequency of response, average time to respond and annual hour burden is shown and described below.

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM: STATE AGENCY OPTIONS, OMB NO. 0584-0496									
Regulatory Section	Burden Activities	Estimated Number of Respondents	Annual Reports/ Records filed	Total Annual Responses	Number of Burden Hours per Response	Estimated Total Burden Hours	Previous Submission: Burden Hours	Difference Due to Program Changes	Explanation of Differences
<b>Affected Public: State and Local Agencies</b>									
<b>STATE AGENCY REPORTING BURDEN</b>									
273.9(d)(6)(iii)	Establishing and Reviewing Standard Utility Allowances	52	1.00	52.00	2.50	130.00	130.00	0.00	
273.11(b)	Self-employment Costs	18	1.00	18.00	10.00	180.00	100.00	80.00	8 additional State agencies incorporated the Self-employment Costs option since the last revision of this collection.
<b>Affected Public: State and Local Agencies</b>									
<b>STATE AGENCY RECORDKEEPING BURDEN</b>									
272.1(f)	Keep record of information submitted to FNS	52	1.00	52.00	0.1169	6.00	6.00	0.00	
		Estimated Number of Respondents	Annual Reports/ Records filed	Total Annual Responses	Number of Burden Hours per Response	Estimated Total Burden Hours	Previous Submission: Burden Hours	Difference Due to Program Changes	
<b>BURDEN SUMMARY</b>		52	2.35	122.00	2.59	316.00	236.00	80.00	

\* Of the 53 SNAP State agencies, 52 have incorporated the options covered by this collection.

## **Reporting Burden**

### Establishing and Reviewing Standard Utility Allowances.

*Estimates of burden:* Of the 53 State agencies, 50 have a standard that includes heating or cooling costs and 40 have a standard for utility costs other than heating or cooling. In addition, 52 State agencies have a telephone allowance standard. We estimate 52 State agencies will submit one request to adjust the SUAs, for a total annual response of 52 requests at a minimum of 2.5 hours annually (52 State agencies x 1 SUAs request = 52 total annual responses x 2.5 hours = 130 hours). Total burden for this provision is estimated to be 130 hours per year. This burden activity remains unchanged from the previous submission.

### Self-employment costs.

*Estimates of burden:* Based on the information provided in the Tenth Edition of the SNAP State Options Report, 18 State agencies have incorporated a methodology for determining the cost of doing business in self-employment cases. This is an increase from ten states in the 2010 information collection. It is estimated that these 18 States will submit one request, totaling 18 annual responses. States will incur a burden of at least 10 working hours gathering and analyzing data, developing the methodology, determining the cost implication and submitting a request to FNS, for a total burden of 180 hours annually (18 State agencies x 1 request = 18 total annual responses x 10 working hours = 180 burden hours). This is an increase of 80 burden hours from the previous submission.

## **Record Keeping Burden Only**

All 52 State agencies are required to keep and maintain one record of the information

gathered and submitted to FNS for the SUA and self-employment options. It is estimated that this process will take 7 minutes or .1169 hours per year for each State agency, resulting in a total annual burden of 6 hours (52 State agencies x 1 record = 52 total annual records x .1169 hours = 6 hours). This burden remains unchanged from the previous submission.

***B. Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. Do not include the cost of contracting out or paying outside parties for information collection activities here, these costs should be included in item 14.***

**Annualized Costs to Respondents**

SNAP information collection requirements described herein are imposed on State agency clerks and eligibility workers. Standard wage rate categories used in determining burden costs to these public were based on the Bureau of Labor and Statistics (BLS) Occupational Employment Statistics site, [www.bls.gov/oes/current/oes434061.htm](http://www.bls.gov/oes/current/oes434061.htm), which indicates the pay rate of approximately \$19.49 per hour for eligibility staff. However, 50 percent of the administrative costs incurred by State agencies are reimbursed by FNS.

<b>State and Local Agency cost per hour (\$19.49 x 50% Federal Share =\$9.75)</b>	<b>Hours</b>	<b>Cost (US \$)</b>
Standard Utility Allowance	130	\$1267.5
Self-employment costs	180	\$1755
Recordkeeping	6	\$58.5
<b>Total State and Local Agency Cost</b>	316	\$3081

**13. Estimate of Other Total Annual Cost Burden to Respondents or Record Keepers.**

*Provide estimates of the total annual cost burden to respondents or record keepers resulting from the collection of information, (do not include the cost of any hour burden shown in questions 12 and 14). The cost estimates should be split into two components: (a) a total capital and start-up cost component annualized over its expected useful life; and (b) a total operation and maintenance and purchase of services component.*

There are no capital/start-up or ongoing operation or maintenance costs associated with this information collection.

**14. Annualized Cost to Federal Government.**

*Provide estimates of annualized cost to the Federal government. Provide a description of the method used to estimate cost and any other expense that would not have been incurred without this collection of information.*

Fifty percent of the administrative costs incurred by State agencies are reimbursed by FNS. Thus, the estimated wage rates for State agency staffs noted above have been reduced by 50% to reflect cost sharing.

The Federal cost also includes the cost associated with the preparation of this information collection package. This includes Federal worker time at FNS that includes the following:

	Hours	Hourly Wage Rate*	Total
GS-12/3 Program Analyst	8	\$38.40	\$307.17
GS-13 Team Lead	2	\$42.66	\$85.32

**Cost for Federal workers: \$392.49**

\*Wage rates determined in accordance with the Office of Personnel Management salaries and wages information.

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Total governmental costs: \$6162

State Share @ 50%: =  
\$ 3081

Federal share @ 50%:=  
\$ 3081

Cost of Federal workers:= \$ 392.49

**Total cost to the Federal government: \$ 3473.49**

**15. Explanation for Program Changes or Adjustments.**

***Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-1.***

This is a revision of a currently approved data collection. A total of 18 State agencies have incorporated a methodology for determining the cost of doing business in self-employment cases. This is an increase from 10 to 18 States from the previous revision of this collection in 2010. Therefore, the increase in the number of respondents reflects a program change and burden increase from 236 hours (current OMB inventory) to 316 hours requested, a difference of 80 burden hours.

**16. Plans for Tabulation and Publication and Project Time Schedule.**

***For collections of information whose results are planned to be published, outline plans for tabulation and publication.***

There are no plans to publish statistical analyses.

**17. Reason(s) Display of OMB Expiration Date is Inappropriate.**

*If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.*

The agency plans to display the expiration date for OMB approval of the information collection on all instruments.

**18. Exceptions to Certification for Paperwork Reduction Act Submissions.**

*Explain each exception to the certification statement identified in Item 19 of the OMB 83-I" Certification for Paperwork Reduction Act."*

There are no exceptions to the certification statement.